

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 822 – HB 978

March 15, 2016

**SUMMARY OF ORIGINAL BILL:** Enacts the Tennessee Native Species Lumber Act, by authorizing any commercial sawmill operator, when requested by an end user, to certify in writing to a purchaser that lumber is equal to or better than number two grade (No. 2) in accordance with American Softwood Standard PS 20-70 of the United States Department of Commerce. Defines the terms “agricultural building”, “commercial sawmill”, “end user”, “grader”, and “native timber” for the purposes of the act. Requires certification include the name of the wood species; the quantity of wood certified; the location where the wood is to be used; whether or not the wood is seasoned; the name of the commercial sawmill where the wood was cut; the name of the grader; and the date on which the wood was cut at the commercial sawmill and graded. Requires code officials accept certification in lieu of grade stamp requirements. Requires any person who uses native timber harvested from and used on the person’s property to certify, if required, that lumber meets building code requirements. Requires no certification for native lumber used for an agricultural building.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (005785):** Adds language to the original bill to require commercial sawmills to implement programs and procedures to independently inspect and verify that the certified lumber grading is consistent with PS 20-70 standards. Requires persons or organizations inspecting or verifying such standards to be accredited by a recognized entity.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Based on the information received from the Department of Agriculture, this bill as amended will have no impact on the Division of Forestry.

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- Any fiscal impact upon local governments as a result of code officials being required to accept sawmill operator certification in lieu of grade stamp requirements is estimated to be not significant.
- Any other fiscal impact as a result of this bill will be borne by private parties.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/tdb